

Organizations that have secured tax exemption identification numbers from the Department are exempt from Use Tax when purchasing tangible personal property for use in furtherance of organizational purposes, and retailers do not incur Retailers' Occupation Tax on such sales. It is important to note that only sales of tangible personal property invoiced to and paid by the organization itself are exempt, and sales to individual members of the organization are taxable. See 86 Ill. Adm. Code 130.2007. (This is a GIL).

July 13, 1999

Dear Ms. Xxxxx:

This letter is in response to your letter dated May 26, 1999. The nature of your letter and the information you have provided require that we respond with a General Information Letter, which is designed to provide general information, is not a statement of Department policy and is not binding on the Department. See 2 Ill. Adm. Code 1200.120(b) and (c), enclosed.

In your letter, you have stated and made inquiry as follows:

I am writing with the purpose of receiving a refund for some sales tax that was paid on a purchase for the church. If I am writing to the wrong office, would you please send it along to them for us? Otherwise, please let me know of the proper channels, and I'll send correspondence accordingly.

One of our parishioners, PERSON, purchased some supplies on April 25, 1999 at a local STORE for a building repair project that we were conducting. (See the receipt enclosed.) The church doesn't own a credit card, so to make the purchase, PERSON had to use his own personal credit card. He had shown the store manager our tax exemption information that he brought with him, but the store would not honor it because the purchase was made with this personal card. We were told to write to the state to receive the refund.

I am also enclosing other information that PERSON brought me regarding this transaction. I hope that you have everything you need. Please feel free to contact me if you have questions.

Organizations that make application to the Department and are determined to be exclusively charitable, religious, or educational receive a tax exemption identification number ("E" number). Organizations that have secured tax exemption identification numbers from the Department are exempt from Use Tax when purchasing tangible personal property for use in furtherance of organizational purposes, and retailers do not incur Retailers' Occupation Tax on such sales. See 86 Ill. Adm. Code 130.2007, enclosed. It is important to note that only sales of tangible personal property invoiced to and paid by the organization itself are exempt, and sales to individual members of the organization are

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taxable. In your case, these requirements were not met. Therefore, tax was properly due.

I hope this information is helpful. The Department of Revenue maintains a Web site, which can be accessed at www.revenue.state.il.us. If you have further questions related to the Illinois sales tax laws, please contact the Department's Taxpayer Information Division at (217) 782-3336.

If you are not under audit and you wish to obtain a binding Private Letter Ruling regarding your factual situation, please submit all of the information set out in items 1 through 8 of the enclosed copy of Section 1200.110(b).

Very truly yours,

Gina Roccaforte
Associate Counsel

GR:msk

Enc.